

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 94-277-C - ORDER NO. 94-1092✓
OCTOBER 14, 1994

IN RE:	Application of NOVSA, Limited)	
	Partnership for a Certificate of)	ORDER
	Convenience and Necessity to Provide)	APPROVING
	Intrastate Resold Telecommunications)	CERTIFICATE
	Services within the State of South)	
	Carolina.)	

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of the Application of NOSVA, Limited Partnership (NOSVA or the Company) requesting a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of telecommunications services in the State of South Carolina. The Company's Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1993) and the Regulations of the Public Service Commission of South Carolina.

The Commission's Executive Director instructed NOSVA to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of NOSVA's Application and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. NOSVA complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. A Petition to Intervene was filed by Southern Bell Telephone and Telegraph Company (Southern Bell). Southern Bell subsequently moved to

withdraw its Intervention in this Docket and did not participate in the hearing on this matter.

A hearing was commenced on October 4, 1994, at 2:00 p.m., in the Commission's Hearing Room. The Honorable Guy Butler, Vice-Chairman, presided. Frank R. Ellerbe, III, Esquire, and Robert McDowell, Esquire, appeared on behalf of NOSVA. Gayle B. Nichols, Staff Counsel, represented the Commission Staff.

In support of its Application, NOSVA presented the testimony of Neal B. Bobys, President. Mr. Bobys explained the Company's request for authority to provide interexchange telecommunications services in South Carolina as a non-facilities based reseller. Mr. Bobys described the Company's services, billing, customer services, and marketing procedures. Mr. Bobys testified that NOSVA would make certain corrections to its tariff to comply with the orders and regulations of this Commission.

Mr. Bobys testified that NOSVA is financially able to provide its services on a continuing basis.

After full consideration of the applicable law, the Company's Application, and the evidence presented by the Company, the Consumer Advocate, and the Commission Staff, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. NOSVA is a Limited Partnership. NOSVA, L.P.'s general partner is NOS Communications of Virginia, Inc. NOSVA has a Certificate of Authorization to transact business as a Limited Partnership in South Carolina.

2. NOSVA operates as a non-facilities based reseller of

interexchange services and wishes to do so in South Carolina.

3. NOSVA has the experience, capability, and financial resources to provide the services as described in its Application.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to NOSVA to provide intrastate interLATA service and to originate and terminate toll traffic within the same LATA through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Service (MTS), Foreign Exchange Service, Private Line Service, or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. The Commission adopts a rate design for NOSVA for its resale services which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. NOSVA shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. NOSVA shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which

do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1993).

4. NOSVA shall file its revised maximum tariff and an accompanying price list within thirty (30) days of the date of this Order. The revised tariff shall be consistent with the findings of this Order. Further, the tariff shall be filed with the Commission in a loose-leaf binder.

5. NOSVA is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers should be treated similarly to facilities-based interexchange carriers.

6. With regard to the Company's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if they so desire.

7. NOSVA shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If NOSVA changes underlying carriers, it shall notify the Commission in writing.

8. With regard to the completion of any intraLATA calls, NOSVA shall comply with the terms of Order No. 93-462, Order

Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993).

9. NOSVA shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A.

10. The Motion to Withdraw Intervention filed by Southern Bell is hereby granted.

11. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


CHAIRMAN

ATTEST:


Executive Director

(SEAL)

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ATTACHMENT A

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS
FOR RESELLERS OF TELECOMMUNICATION SERVICE

(1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____.

(2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____.

(3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS* FOR 12 MONTHS
ENDING DECEMBER 31 OR FISCAL YEAR ENDING _____.

*THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION WORK IN
PROGRESS, ACCUMULATED DEFERRED INCOME TAX, CONTRIBUTIONS IN AID OF
CONSTRUCTION AND CUSTOMER DEPOSITS.

(4) PARENT'S CAPITAL STRUCTURE* AT DECEMBER 31 OR FISCAL YEAR ENDING
_____.

*THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION
PAYABLE), PREFERRED STOCK AND COMMON EQUITY.

(5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND
EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____.

(6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE
AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL
AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3
ABOVE).